Sectt. H-27—45,006—19-10-38

Ex(P) A (1940) Department.

Ms SERIES.

G.O. No. 3756—P.V

Dated 16.8.1940

[Despatch Abstract.]

Public Health — Municipal Council Hospet — Commutation of rent free expenditure on Public Health — Direction under the proviso to section 127(1) of the Madras Public Health Act, 1939

C.F. 30.

Municipal DEPARTMENT.

E1

Received ..... 19 *Registered* 19

18313

Subject.

Accounts - section 127 (1) of Public Health Act - limit of 30 % - reduction of the limit.

ENCLOSURES.
No. .....
.....
Spare copies .....

R.O. No. 462-B-1-40.

Station Hospet, *Dated the* 4th April 1940

From (Name) Sri. N. G. Reddy, B.A., (Cantab)

(Designation) Commissioner, Hospet Municipality,

Hospet.

To The Secretary to the Government of Madras,

Education and Public Health Department.

Through Madras.

Sir, The Chairman,
Municipal Council,
Hospet

I submit herewith a copy of my note dated 16-3-40 and this ~~Council~~ Council resolution No.1416 dated 27-3-40. The Municipal Electrical undertaking is being run at a loss. The lighting Account for 1940-41 closes with a deficit balance of over Rs.20,000 while the ordinary receipts under this account are estimated (for 1940-41) to be Rs.27130/-. Under G.O. No.3087 Education and Public Health dated 25-8-39 an additional sum of nearly Rs.8140/- (30% of 27130) has to be provided for public Health merely for the theoretical reason that this Municipality is running an Electrical Undertaking though actually the council is incurring an annual loss on this undertaking. It would seem more reasonable that for the

pp3-4 supra

Forwarded

28.4.40

Chairman, Municipal Council, Hospet.

(I)

pp5 supra

purpose of arriving at the 30% limit prescribed by section 127 of the Public Health Act only the net profits ~~ankx~~ made on the Electrical undertaking and actually adjusted to the General Account should be taken into account.

(2) Similarly I submit the case of a Municipality which is levying water and drainage tax and is in receipt of ~~x~~ an annual income say Rs.30,000/- under this account and is spending the entire sum towards rendering ~~these~~ There services. The additional receipts - vide G.O. No.3087 Education and Public Health dated 25-8-39 - included in the amount earmarked for public health would be Rs.9,000 (i.e 30% of 30,000). At the same time the deductions from this ear-marked amount on account of expenditure on water supply and drainage would be Rs.30,000. In other words a Municipality of this type need to spend Rs.21000 (30,000 - 9000) less on public Health proper.

(3) This Municipality (Hospet Municipality) is in the unfortunate position of not rendering any water supply and drainage services though the total percentage of annual taxation is 19¾. Out of this, 5 % forms the lighting tax which goes to run the Electrical undertaking. Inspite of this, this Municipality is incurring an annual loss on account of this undertaking. In view of ~~these~~ there circumstances the 30% limit as prescribed at present in section 127 of the Public Health Act is unworkable in respect of this Municipality. I therefore request the Government to permit in respect of this Municipality:-

(i) the inclusion of only the net profits made on the Electrical undertaking and actually adjusted to the General Account for the purpose of arriving at the 30% limit and ~~xx~~

(ii) the reduction of 30% to 20 or 25 as the Government may deem fit for the reason that this Council is not in receipt of any income from water and drainage tax.

Commissioner.

BN/6-4.

Copy of note to the Council dated 16-3-40

Sub:- Section 127 of Public Health Act - 30% limit.

(1) I bring the following facts for the consideation of the Council. This Council is running an electrical licence scheme. Under G.O.No.3087 P.H. dated 25-8-39 the total receipts under this scheme have to be included for arriving at the 30% limit. The first point is that the whole scheme is working at a loss. The second is that inspite of this loss, the receipts under the Electrical scheme have to be included in the 30% limit thus stepping up the expenditure on public health. A similar class of ~~xx~~ Municipality like ours which is not running an electrical concern will be at a great advantage. It will have no receipts under Electrical scheme and as such the 30% limit would be much less than ours. I consider that the total receipts under Electrical licence scheme should not be taken for arriving at the 30% limit but only the net profits made under the scheme and adjusted to the General Account.

(2) A perusal of appendix to G.O. No.3087 P.H. dated 5-8-39 will clearly show that ~~the~~ Municipalities which have no water and drainage schemes are at a disadvantage when compared with those that are running these schemes. In the former class it is very difficult to keep up to the 30% limit. It would seem reasonable that in Municipalities where water and drainage schemes are not being run, the limit mentioned in section 127 of the Public Health Act may be reduced to 20 or 25 %. The 30% limit as prescribed at present, is not workable in this Municipality.

(3) If the Council agrees with me it may request the Government (i) to permit the inclusion of only the net profits adjusted to the General account from the electrical scheme for the purpose of arriving at 30 % limit and (ii) the limit of 30% mentioned in section 127 of Public Health Act be reduced to 20 or 25 % in respect of Municipalities which are not rendering water and drainage service. The Government may be requested to give relief to this extent to Municipali-

4

Municipalities in general or to this particular Municipality.

Sd. N. G. Reddy,
Commissioner.

True copy

Commissioner. 9/4/60.

Copy of Council Resolution No.1416/27-3-40.

Read Note of the Commissioner dated 16-3-1940 that the limit of 30% prescribed in section 127 of the Public Health Act is unworkable in respect of this Municipality.

Resolution:-

(1) The note of the Commisioner is approved.

(2) The Government is requested (i) to permit the inclusion of only net profits made under the electrical licence scheme and actually adjusted to the general account for the purpose of arriving at the 30% limit and

(ii) to reduce the limit mentioned in section 127 of Rum Public Health Act to 20% in respect of Municipalities in General which are not rending water and drainage services or atleast in respect of this Municipality.

(3) The limit of 30% is unworkable in respect of this Municipality.

(4) This resolution be communicated to other Municipalities which are running ~~water and drainage~~ electrical schemes or which are not rendering water and drainage services for obtaining their views.

Sd. M.V. Swamy,
Chairman,M.C.

True copy

Commissioner. 5/4/40

BN/6-4.

C.No 18.13 E1/40

Education & P.H. Dept:

The Municipal Council, Pollachi, has put forward a request similar to the one in the Hospet Mu: Cl: G. Resolution at page 5 ante and it is separately under consideration. The file on the subject was sent to Coty Office on 29.4.1940 with a draft order for approval. This may lie over pending the issue of order in that case.

Ref C No 39448 E1/39.

17.5.40.

17/5/40.

No Put up an independent draft

20/5/40

C.F. 30

DEPARTMENT.

1- AUG 1940

Received ..... Registered 31151 19

Subject.

Accounts-S. 127(1) of Public Health Act-limit of 30%-reduction of the limit.

ENCLOSURES.
No.
Spare copies

C. No.462-40-B-1

Station Hospet, *Dated the* 23-7- 19 40.

From (Name) Sri.N.G. Reddy, B.A.,(Cantab)

(Designation) Commissioner,Hospet Municipality, Hospet.

To The Secretary to the Government of Madras,

Education and Public Health Department.
MADRAS.

Through,

Sir,

The Chairman,
Municipal Council,
Hospet.

Sir,

Ref:-This office C.No. 462-40-B-1 dated 4-4-40.

I invite the attention of the Government to the above reference and beg to know whether I may expect any orders on the subject.

Forwarded
30.7.40
Chairman, Municipal Council, Hospet.

SB/25-7.

N.G. Reddy
Commissioner. 26/7
25/7/40.

Civil

Education & P. H. Department

C f C. No 18313 E1/40

From the Commr., Hospet Municipality,
Rc No 4 62-B-1-40, Dt 4. 4. 1940.

—

Accounts - Hospet Municipality - Reduction of provision for public health expenditure.

—

Please see the Hospet Municipal Commissioner's letter in the c.f. He points out that a strict application of the method of calculating the provision prescribed in G.O No 3087 P.H., Dt 25-8-39 to be made under Sec: 127 (1) of the H.P.H. Act in the budgets of local authorities gives rise to anomalies and requests

(1) that the Municipal Council, Hospet, may be permitted to include only the net profits made by it on its Electrical undertaking in calculating the 30 per cent provision to be made for public health expenditure and

(2) that the Council may be permitted to earmark 20 or 25 per cent of its income for public health expenditure instead of 30 per cent as required by Sec: 127(1) of the H. P. H. Act, for the reason that the Council is not in receipt of any income from water and drainage tax.

Request (1) above: A similar request put forward on behalf of the Municipal Council, Pollachi, was granted in G.O No 2151 P.H., Dt 21-5-40. The permission asked for in the present case may

P.T.O

also be given.

Request (2) above : The Com^r contends that municipalities which do not own water supply and drainage schemes are at a disadvantage when compared with those that are running these schemes and that it is difficult for them to keep up to the 30 per cent limit prescribed by Sec: 127(1)g the M.P.H. Act. The remarks of L.A. may be obtained on the financial position of the Mc: Cc:, Hospet, before proceeding further with its request for reducing the percentage limit prescribed for public health expenditure.

31.5.40

31.5.40.

SRN
1.6.40
L.A

SPH.w. 18313-IE.PH
2/6/40.

Draw
3/6

SECRETARY TO GOVERNMENT
4 JUN 1940
LOCAL ADMINISTRATION DEPT.

18073

4/6

L.A. dept

The General Account ordinary of the Del. cl. for 1940-41 according to its budget estimate for 1940-41 as sanctioned by the Govt. is expected to close with a deficit of Rs 3,149 against the required working balance of Rs 4,277 after recovering the anticipated deficit of Rs 14,920 in the Councils Lighting Account for 40-41 to wipe off the deficit in the General Account and to provide for the required working balance the Govt have directed that the provision made for education for expenditure on education, other than Elementary, should be reduced by Rs 1000 the provision of Rs 2200 made for capital expenditure should be deleted in entirety and that all possible retrenchments in expenditure should be tried. The Lighting Account has been working at a deficit and it is but reasonable that only the Del projects in the L. Lighting Account should be taken into account in calculating the 30% limit and not the ordinary receipts in the Account.

This dept may agree to that in the case of this Del. cl. provision

is to be made for ~~expenditure~~ Public Health expenditure may be fixed at 25% of the receipts and that the net ~~receipts~~ profits in the Lighting Account and not the ordinary receipts in the Account be taken into ~~the~~ account for calculating the percentage.

P. 11/6. With the above remarks the file may be returned to E+PH&O

[illegible] 11/6/40

As the L. account is run at a recurring deficit & no profits are made out of the scheme, the entire receipts may be excluded & the 30% calculated. If this is done the figure made for P. Hospe K. by the Chairman the present year's budget (Rs 26,470) exceed the previous 30% figure (Rs 20,845) & no reduction in the percentage would be necessary.

So long as ~~the~~ tax is not levied, the C. may continue to earmark 30% of profits receipts & the Expn ~~of~~ ~~Public~~ ~~Health~~ ~~Dept~~ ~~over~~ ~~after~~ it levies

18313E

The [illegible] may continue [illegible] to spend [illegible] and it cannot spend the [illegible] proceed for [illegible]

S.O.H

14/6

Ans 18073-1-B2
15/6/40

GOVERNMENT OF MADRAS
15 JUN 1940
EDUCATION AND PUBLIC HEALTH DEPTT.

24464

Edn and P.H Deptt

Please see L.A. Department's note on pages 3-5 ante. A draft Memo on the lines suggested by them at 'K' on page 4 ante is submitted for approval.

PH Act a GO under Sec 27 of the
11/7 11.7.40. hasty issue

12.7.40

"

E+PH.U.O.No 18313-2E
dt 27.7.40"

L. A. U.O.
S.R.K.
27.7.40."

L.A.D.

(below)
The draft memo may be permed and the file returned to E+PH. dept no

E&PH

29/7/40

3/8/7

U.O. SECRETARIAT
31 JUL 1940
DEPARTMENT

L.A.U.O 23927-1B2
31/7/40

31124

6.

Make it a L.C. Lease & resubmit

SRN

31.7.40

A draft order is submitted for approval.

Rm 6/8 9.8.40. It is really too bad that even there are clear precedents such futile drafts are put up. Pl. see Mr 37 & 38 LQO 215 1 PH & 21.5.40 (D) & Correct draft

SRN.

9.8.40

Revised draft sub'd for approval.

9.8.40. May issue. ~~LA~~ LA have ~~seen~~.

SRN

10/8/40

S.

I.D.

Edn. & P.H. Deptt.

F. 17.

48/1615

DRAFT FOR APPROVAL.

	Date.	Initials.
When received for fair copying.		
When copied ...		
When examined...		
When signed ...		
When despatched.		

SUBJECT :—

Public Health - Municipal Council, Hospet - Ear-marking of revenue for expenditure on Public Health - Direction under the proviso to section 127(1) of the M.P.H.Act, 1939.

READ AGIAN G.O. 3087 P.H., dated 25-8-39. 19....

" " ..... " ..... 19....

READ *ALSO* :—

No. 18313E1 From the Commissdoner, Hospet Municipality, No. ..... dated ..... 19.... R.C.No.462-B-1-40 dated 4-4-40.

" ..... " ..... " ..... " ..... 19....

" ..... " ..... " ..... " ..... 19....

Order Ms. No. 3756 P.H. dated 16 8. 1940

J

In G.O.No.3087 P.H., dated 25-8-39, the Govt. prescribed the method of calculating the provisions to be made under section 127(1) of th M.P.H.Act, 1939 in the budgets of local authorities for expenditure on the advancement of Public Health in the local areas. The Commissioner, Hospet Municipality points out that as the municipal council is incurring an annual loss in its electrical undertaking, only the net receipts, under the Council's lighting account should be taken into consideration for the purpose of calculating the 30% limit laid down in the above section. It is therefore considered necessary to vary the provisions of sub-section (1) of section 127 of the M.P.H.Act, 1939, in the case of

M m/s- 24

8/

Municipal Council, Hospet. His Excellency the Governor of Madras is pleased to direct, in exercise of the powers conferred by the proviso to section 127(1) of the Madras Public Health Act, 1939, that the income from the Electrical undertaking of the Hospet Municipal Council may be excluded in calculating the "income from all sources" for purposes of section 127 of the Act, but that any profits from that undertaking should be taken into account, if and when they become available for expenditure for general purposes.

9.8.40

10/8/40

To the Commissioner, Hospet Mty.,
thro' the C.M.C.
To the D.P.H.
To the Inspector of Ml. Cls. & L.Bds.
To the Examiner of L.F.Accounts.

9/9/8